



FEDERAL ELECTION COMMISSION
Washington, DC 20463

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2 TO: The Commission

April 25, 2017

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4 FROM: Lisa J. Stevenson
5 Acting General Counsel

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7 Kathleen M. Guith
8 Associate General Counsel for Enforcement

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10 BY: Jin Lee *JL*
11 Acting Assistant General Counsel

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14 Attorney

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16 SUBJECT: MUR 7126 (Michigan Democratic State Central Committee)
17 Pre-Probable Cause Conciliation
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19 This matter was initiated by a *sua sponte* submission by the Michigan Democratic State
20 Central Committee and Sandy O'Brien in her official capacity as treasurer ("MDP") to notify the
21 Commission of potential violations arising out of bingo games that MDP operated to raise money
22 for its federal account.¹ On August 16, 2016, the Commission made reason to believe findings.²
23 In addition, the Commission authorized pre-probable cause conciliation and approved a
24 conciliation agreement.³ Accordingly, the Office of General Counsel engaged in conciliation
25 discussions with the Respondent; attached is a final negotiated agreement, signed by MDP's
26 counsel, that would settle the violations in this matter. We recommend that the Commission
27 accept the negotiated agreement and close the file in this matter.

¹ On February 20, 2017, MDP amended its Statement of Organization to replace Ramesh Verma with Sandy O'Brien as treasurer.

² The Commission found reason to believe that MDP violated 52 U.S.C. § 30102(c)(1)-(3) and 11 C.F.R. § 102.9(a) by failing to keep an itemized record of contributions; violated 52 U.S.C. § 30102(c)(5) and 11 C.F.R. § 102.9(b)(1) by failing to keep an itemized record of disbursements; violated 11 C.F.R. § 110.4(c)(3) by accepting anonymous cash contributions; violated 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 103.3 by failing to deposit receipts in an account at a designated depository; violated 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 102.10 by making prohibited cash disbursements; violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by understating total contributions and disbursements; and knowingly and willfully violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by reporting false contributions and refunds. Certification ¶ 2(b)-(h), MUR 7126 (MDP) (Aug. 16, 2016).

³ *Id.* ¶ 2(i)-(j).

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30 We therefore recommend that the Commission accept the attached signed agreement and
31 close the file in this matter.

1 **RECOMMENDATIONS**

- 2 1. Accept the attached signed conciliation agreement with the Michigan Democratic
3 State Central Committee and Sandy O'Brien in her official capacity as treasurer;
- 4 2. Approve the appropriate letter; and
- 5 3. Close the file.

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